

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: <u>0 0 - 0 3 0</u>	2. STATE: <u>Louisiana</u>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE *October 13, 2000	

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)


6. FEDERAL STATUTE/REGULATION CITATION: <u>42 CFR 447.272</u>	7. FEDERAL BUDGET IMPACT: a. FFY <u>2001</u> \$ <u>483,000,000*</u> b. FFY <u>2002</u> \$ <u>482,000,000*</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D, Page 9.i & 9.j Attachment 4.19-D, pages 9.i through 9.i**	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <u>None - New pages</u>

10. SUBJECT OF AMENDMENT:


The purpose of this amendment is to implement enhancement pool provisions.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED: Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Louisiana Department of Health and Hospitals 1201 Capitol Access Road P.O. Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: David W. Hood	
14. TITLE: Secretary	
15. DATE SUBMITTED: June 30, 2000	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: June 30, 2000	18. DATE APPROVED: Deemed Approved By Function of the Law on January 11, 2001
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 13, 2000	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Calvin G. Cline	22. TITLE: Associate Regional Administrator Division of Medicaid and State Operations

23. REMARKS: *Pen and Ink Change to Block 4 and Block 7, Per State's Request of October 13, 2000.
**Per State Letter of 01-08-01, Attachment 4.19-D, pages 9.i through 9.i, will replace the original submittal of Attachment 4.19-D 9.i & 9.j

STATE OF LOUISIANA

E. Enhancement Pool Funded by Transfer From Parish Owned Nursing Facilities

1. Enhancement Pool Creation

An enhancement pool is created to increase reimbursement to parish owned facilities in proportion to their share of Medicaid days provided during the reporting period used to set rates. The pool is created subject to availability of funds and subject to the payment limits of 42 CFR 447.272 (payments may not exceed the amount that can reasonably be estimated to be paid under Medicare payment principles).

2. Calculation of Nursing Facility Payment Differential

The nursing facility payment differential for any year shall be the difference between the upper limit of aggregate payments to nursing facilities as defined in 42 CFR §447.272 and the aggregate Medicaid per diem reimbursement paid to nursing facilities for the year, determined for all nursing facilities participating in the state's Medicaid Program, or for a subset of these facilities that embraces parish-owned nursing facilities for which a separate upper payment limit calculation is required by 42 CFR §447.272 as in effect in that year.

3. Calculation of Enhancement Pool Amount

Total payments from the pool in any year shall not exceed a percentage of the nursing facility payment differential that will be determined by the Department for each payment year.

4. Enhancement Pool Distribution

The entire enhancement pool amount shall be distributed on a quarterly basis to qualifying parish-owned nursing facilities based on their pro-rata share

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STATE	LOUISIANA
DATE PROC	06-30-00
DATE REVD	01-11-01
DATE EFF	10-13-00
HCL	00-30

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Supercedes
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7. Special Condition to Assure Use of Funds for Health Care Purposes

This section E. shall remain in effect until one of the following events occurs:

- a. The effective date of a HCFA approval of an amendment to the plan withdrawing this section E;
- b. The effective date of a HCFA approval of an amendment effectively superseding this section;
- c. The State, without HCFA approval, dissolves, in whole or in substantial part, the Medicaid Trust Fund for the Elderly established by Act 143 of the First Extraordinary Session, 2000, of the state legislature, or enacts a law or takes any other action which allows the principal of or the income from the Medicaid Trust Fund for the Elderly to be used for purposes other than for which they can be used under the terms of Act 143 as in place on January 1, 2001, other than for expansion of Medicaid eligibility. The State agrees to notify HCFA if either of these events occurs. The State will also certify on each Quarterly Expenditure Report, Form HCFA-64, that it submits to HCFA that neither of the above events has occurred.

ADDITIONAL REQUIREMENT: In the event any of the conditions specified in paragraph c. of this sub-section 7 occurs, or if the State fails to make the certification referred to in paragraph c. after reasonable (30 days) notice of its failure to do so, the State agrees to return an amount equal to the entire corpus of the Medicaid Trust Fund for the Elderly (at the time just preceding the event) to HCFA in the same manner, and subject to the same terms and conditions, including but not limited to the provisions of 42 CFR §430.48, as if that amount had been disallowed by HCFA pursuant to §1903(d) of the Social Security Act. Should the State

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of the total annual Medicaid days of care of all qualifying parish-owned nursing facilities. Determination of annual Medicaid occupancy level and Medicaid days of care shall be based on the most recently filed cost reports on file with the Department.

5. Definition of Qualifying Facilities

a. Qualifying facilities are parish-owned nursing facilities that:

- (i) have an annual Medicaid occupancy level at or above sixty percent (60%);
- (ii) provide 12,000 or more Medicaid days of care annually; and
- (iii) have entered into (or be part of a parish government that has entered into) a transfer agreement with the Department providing for an intergovernmental transfer of funds.

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HCFA 129	0030

Determination of Upper Limit

For purposes of the Enhancement Pool payments covered by this section E., the upper limit of aggregate payments to nursing facilities pursuant to 42 CFR §447.272 shall be determined using the RUGS III classification system utilized in determining nursing home reimbursement in the Medicare program. MDS data will be utilized to determine the classification of Medicaid-eligible residents of nursing homes participating in the State's Medicaid program. Payment rates for each classification will be those published by HCFA for Medicare, as adjusted by the HCFA published wage indexes. The Medicare payment rates will be further adjusted to reflect add-ons enacted by statute, and additional adjustments will be made to achieve comparability of Medicare and Medicaid rates (including adjustments to offset disparities in the various components of the Medicare and Medicaid rates).

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-D
Page 9.1.

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fail to reflect the return of such amount on its first Expenditure Report, HCFA Form HCFA-64, submitted following the events described in paragraph c, the State agrees that HCFA shall disallow that amount, pursuant to §1903(d) and subject to 42 CFR 430.48, on the grant award that is based on the Expenditure Report where the return of such funds should have been reflected.

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